DELAWARE DOWNTOWN DEVELOPMENT DISTRICTS

PROGRAM GUIDELINES

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Inside Front Cover

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Example of commercial rehab/tenant fit-out

MauTiste Investment Group, Dover. Photo by UD IPA
Example of residential new construction

115 NW Front Street, Milford. Photo by UD IPA
Example of historic residential rehab

DOWNTOWN DEVELOPMENT DISTRICTS

PROGRAM GUIDELINES

January 18, 2019

This edition of the Downtown Development Districts Program Guidelines supersedes all previous editions.

The title of this document is summarized as the *DDD Program Guidelines* in the DDD Application and other documents.

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DEFINITIONS

Act or The Act	The Downtown Development Districts Act of 2014
Central Business District	The area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.
Charrette	A multi-day, collaborative planning event that harnesses the talents and energies of all affected parties to create and support a feasible plan that represents transformative community change.
Committee or CCSPI	The Cabinet Committee on State Planning Issues
DDD or District	A Downtown Development District (District) established by a local government and designated by the Governor in accordance with the Downtown Development Districts Act of 2014.
District Administrator	An individual appointed by the local elected body to be to administrator of the DDD program for that community. The District Administrator will be the chief point of contact for the District and will be responsible for all record keeping and reporting that are required by the program. The District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program. The District Administrator must be a local government staff person, or an elected or appointed official of the local government.
District Plan	A plan that identifies the boundaries of a Downtown Development District and includes goals, objectives and strategies for redevelopment of the area. For purposes of the DDD program, the District Plan shall be prepared in accordance with the checklist and application form for the program.
DSHA	The Delaware State Housing Authority
Enclave	A parcel or group of parcels isolated and surrounded by lands that are included in the District.

Key Priority Project	A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program.
Local Government or Applicant	Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout the application the terms “local government” and “applicant” refer to either the municipality or county that is presenting the application.
Office or OSPC	The Delaware Office of State Planning Coordination
Population	The population of the municipality based on the most recent decennial Census. For the FY 2019 DDD application period the 2010 Census shall be used.

CHAPTER 1

PREFACE

The Downtown Development Districts Act of 2014 states, "The Office [of State Planning Coordination] is authorized to take such actions as may be necessary or convenient to fulfill its responsibilities hereunder, including, but not limited to promulgating rules and regulations relating to the establishment, amendment, and termination of Districts and providing assistance to municipalities and unincorporated areas in connection with the application process." (22 **Del. C.** § 1903)

This document and its appendixes represent the rules and regulations that govern the establishment, amendment and termination of Districts under the Act. This document also provides guidance and assistance to local governments who are working to prepare applications to become Downtown Development Districts and to Designated Districts as they administer the DDD program in their local communities.

This edition of the Downtown Development Districts Program Guidelines supersedes all previous editions.

The title of this document is summarized as the *DDD Program Guidelines* in the DDD Application and other documents.

CHAPTER 2

GENERAL INFORMATION ABOUT THE DOWNTOWN DEVELOPMENT DISTRICTS PROGRAM

The Downtown Development Districts Act of 2014 (the Act) was enacted by the General Assembly in order to:

- Spur private capital investment in commercial business districts and other neighborhoods;
- Stimulate job growth and improve the commercial vitality of such districts and neighborhoods;
- Help build a stable community of long term residents by improving housing opportunities; and
- Assist local governments in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses and residents from all walks of life.

Local governments[1] that wish to take advantage of this program must identify a downtown district in their community and apply for designation. To make an application for designation the official FY19 Application Form must be completed, supporting materials must be attached, and the entire packet submitted to the Office of State Planning Coordination as detailed herein in order for the request to be considered.

Completed applications will be considered by the Cabinet Committee on State Planning Issues (the Committee). The Committee will make recommendations to the Governor, who will then designate one or more Downtown Development Districts in the current program year. Additional Districts may be designated in future program years. The number of Districts is limited to 15 at any one time. District designations last for 10 years, and the Committee can consider up to two five year extensions.

Selection as a Downtown Development District will entitle private construction projects within the identified District to receive rebates to offset up to 20% of their capital construction costs. There are a host of other benefits that will be described in more detail in other materials. Rebate funds will be administered by the Delaware State Housing Authority (DSHA).

[1] Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout this document, the terms "local government" and "applicant" refer to either the municipality or county that is presenting the application.

CHAPTER 3

APPLICATION PROCESS FOR DESIGNATION AS A DISTRICT

The Governor will announce the opening of each application cycle for the Downtown Development Districts Program. Applications will only be accepted when they are received during an open application cycle. The opening of an application cycle is at the discretion of the Governor.

Local governments interested in having a Downtown Development District designated in their communities must fill out the official application form that is available from the Office of State Planning Coordination. The application form will be specific to that application cycle, and the dates will be clearly marked on the first page of the application.

In the event that the local government previously applied for District designation, the application remains on file at the OSPC for a period of four years. Local governments with active applications on file will be given the option for their original application to be reviewed reviewed along with the required supplemental materials to be submitted during the current application cycle, or to submit an entirely new application. Please note that an entirely new application is preferred for clarity and to assist OSPC efficiently review the application documents.

Please keep in mind the following guidelines when completing the application:

- Applications must be submitted by the published deadline. No late submissions will be accepted. In order to provide a fair review of all applications, no additional materials will be accepted or considered after the deadline.
- The application must be complete in order for it to be considered for review.
- Required attachments are considered a part of the application. All attachments must be included for the application to be considered complete.
- All applicants must provide a resolution from the local governing body supporting the application and pledging to adhere to the program requirements, local incentive package and District Plan for the duration of the program if designated. The resolution must be acted upon during the current application cycle. Resolutions from previous application cycles will not be accepted.
- All other instructions and requirements found in the official application must be adhered to.
- The Office of State Planning Coordination is a resource to assist the local governments with any questions that arise while filling out the application form. Applicants are urged to talk with the OSPC early in the application cycle to resolve any questions or issues to ensure that a complete application is submitted.

Once completed applications are received by the Office of State Planning Coordination they will be reviewed by the State Agencies and the OSPC. The review will follow the procedures set forth in the Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts. A copy is included in this document as Appendix 5.

The Cabinet Committee for State Planning Issues will review the applications and any staff reports and/or other information provided by the State Agencies or the OSPC. They will make a recommendation to the Governor regarding which applications, if any, should be considered for designation as new Downtown Development Districts.

Upon receiving the recommendation of the Cabinet Committee, the Governor may designate new Downtown Development District(s) at his discretion.

Upon designation, Districts are in effect for ten years, with two potential extensions of five years each at the discretion of the Cabinet Committee on State Planning Issues.

CHAPTER 4

DETAILS ABOUT THE APPLICATION FOR DESIGNATION AS A DISTRICT

There are four primary components of the application for designation as a District:

- The capacity to administer the DDD program if designated;
- The need and impact of the District designation;
- The quality of the District Plan
- The quality of the local incentives offered

Each of these components will now be described in more detail.

Administration of the District

The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

The **Administration** section will account for 10% of the consideration given to scoring each application.

Need and Impact:

The applicant must describe the need for the economic incentives that will be available in the designated District. The need must be documented through the use of relevant data and other methods. The conditions of the local economy, income, poverty, homeownership rates, prevalence of vacant or abandoned buildings and other metrics may be used to make the case that the proposed District is in need of the incentives.

In addition, the applicant must describe the potential positive impacts that are likely to accrue due to designation as a District. Applicants are encouraged to describe the impacts using both data and other methods.

The **Need and Impact** section will account for 50% of the consideration given to scoring each application.

District Plan:

The local government must present a District Plan that will be used to guide development activities and revitalization efforts in the District. The District Plan is to be a detailed description of the overall strategy for the development of a proposed district.

Local governments must identify proposed Downtown Development Districts in accordance with the Act. Districts must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)[2]. Districts must be no more than 95 acres in area for jurisdictions with a population under 9,000[3] persons, no more than 185 acres in area for jurisdictions with a population between 9,000 and 30,000 persons, and no more than 250 acres in area for jurisdictions with a population over 30,001 persons[4]. Applicants are encouraged to geographically concentrate the incentives to the greatest extent possible. The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. A map of the District is required as a part of the application.

The applicant must demonstrate that the District Plan is consistent with the local government's certified Comprehensive Plan and the *Strategies for State Policies and Spending* and any other local planning documents or studies that are applicable. Additionally, if other governmental, non-governmental and/or quasi-governmental organizations are involved with revitalization efforts in the downtown area they must be identified and it must be demonstrated that coordination of all activities will be part of the District Plan.

The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. The overall vision of the plan, the clarity of actions to be taken, and proof of the ability and the will of the municipality or county and other partners to implement the plan will be key considerations when evaluating this section of the application.

Starting with the FY19 application cycle there is a stronger emphasis on identifying **Key Priority Projects** in the District Plan. Key Priority Projects are:

> "A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program."

Local governments should identify specific Key Priority Projects in their District Plan. These do not have to be active development projects. Rather, they are opportunities recognized through the local government's planning and economic development processes. General or vague descriptions of entire classes of properties or projects do not qualify as Key Priority Projects. See the following table for an example:

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[2] Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

[3] Population to be based on the 2010 US Census.

[4] Please note that the maximum acreage for Districts has been increased for the FY19 Application Cycle. Local governments with Designated DDDs may take advantage of the expanded acreage for their population size through the Boundary Amendment process detailed later in this document. All guidelines governing District Boundaries (contiguity, compact, focus on CBD, etc.) remain in effect.

Example description of an **acceptable** Key Priority Project	Example description of an **unacceptable** Key Priority Project
The historic home at 123 S. Main Street (parcel number ____) has been vacant for many years. This is a critical corner on our Main Street, and the vacancy is depressing property values and discouraging other investment along the street. This would be an ideal project for a historic renovation and adaptive reuse to commercial and/or office space to add services and employees to our downtown area. The redevelopment will also catalyze investment in other near-by properties along this part of Main Street.	All vacant commercial buildings on Main Street.

The quality of the **District Plan** will account for 20% of the consideration given to scoring each application.

Local Incentives:

The local government must detail a package of local development incentives that will apply within the proposed District. These incentives may include, but are not limited to, a reduction in fees or taxes; regulatory flexibility; permit process and licensing reform; special zoning districts; exemptions from local ordinances; streamlined permitting; technical assistance; or grants and loans. The local incentive package should be transparent to applicants, be complimentary to the DDD Rebate program, and provide measurable monetary or other value to redevelopment projects in the District that qualify for the DDD Rebate program. It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. If otherwise, a detailed justification must be provided in the Application, which will be considered as the application is scored. In the case of discretionary incentives the OSPC and Cabinet Committee may propose recommended changes to discretionary incentives to ensure transparency and applicability to as many DDD projects as possible.

These incentives may either be currently in place and in use by the municipality or county or they may be proposed for implementation upon designation as a District.

Upon designation as a District the local government is required to implement the incentive package as described and proposed for the duration of the District designation. Rebate funds will not be available to projects until the incentive package is adopted by the local government and made available to qualified real property investors.

The quality of the **Local Incentives** will account for 20% of the consideration given to scoring each application.

CHAPTER 5

ADMINISTRATION OF THE DISTRICT

Once designated the local government is responsible for administering the DDD program in their local community. The Downtown Development District Program is a partnership between the State of Delaware and the local governments with Designated Districts. The State provides considerable staff time and technical assistance resources for the program from the OSPC and DSHA, and funds the DDD Rebate Program. Local governments with Designated Districts are expected to provide a package of local incentives to compliment the DDD Rebate Program. In addition, the local government must expect to expend staff time and other resources to administer the DDD program in their community.

A District Administrator must be appointed by the local elected body. The District Administrator will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. The District Administrator must be a local government staff person or an elected or appointed official. The District Administrator can be assisted in their tasks by other local government staff or consultants, however the District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program.

> New Districts: The District Administrator must be appointed by a resolution of the local elected body within two months of the date of District Designation.
>
> Designated Districts: The existing eight Designated Districts must formally appoint the District Administrators by resolution of the local elected body within two months of the date of the publication of this document.
>
> All Districts: In the event of a change in the District Administrator it is the responsibility of the local government to inform the OSPC of the change as soon as is practical. The local elected body must officially appoint the District Administrator by resolution as soon as is practical, but no more than two months from the assignment of the new District Administrator.

The following is a summary of some of the tasks the local government and the District Administrator will be responsible for:

<u>Economic Development Outreach and Marketing</u>

The local government is the primary economic development agency responsible for working with property owners and potential investors in their communities. Local governments should be proactive in identifying potential investment opportunities consistent with their District Plan, and are the first point of contact whenever a project is proposed. As such, the District Administrator and other local government staff and consultants must be knowledgeable about the DDD program requirements, the DDD Rebate program, and all local incentives.

DDD Promotional Materials and Website

The local government is required to maintain a website that promotes the DDD program in their community and contains details of all local incentives as well as links to the DDD Rebate program website and other State resources. Other materials promoting the DDD program, such as brochures and targeted marketing campaigns, may also be developed by the local government depending upon local conditions.

Economic Development Assistance to DDD Qualified Real Property Investors

As the first point of contact with potential qualified real property investors, the District Administrator and local government must be prepared to assist the investors. The District Administrator and local government staff are expected to be sufficiently knowledgeable about the DDD Rebate Program to assist investors in completing the application for submission to DSHA. In addition, the District Administrator should be prepared to assist investors with local incentive programs, and local review and approval processes for planning, zoning, building permits and other permits and licenses needed to implement the project.

DDD Program Record Keeping

The District Administrator is responsible for keeping accurate records of all active and potential DDD projects. These records should be coordinated with the DSHA administrators of the DDD Rebate Program. Record keeping must include local incentives granted to each project, including the value and impact of each local incentive.

DDD Reporting to OSPC and DSHA

The District Administrator is responsible for reporting status, progress and data about the local government's DDD program to the OSPC and / or DSHA upon request and in a timely manner. This information is requested as a part of an Annual Report from each local government which is due to OSPC by July 1 of each year. Additional requests may occur at any time throughout the year. See Chapter 6, Compliance for more information.

Attendance at DDD Workshops and Events

The District Administrator and other local government staff, consultants, elected and appointed officials are expected to attend the annual DDD Workshop. This workshop is hosted by OSPC and DSHA, and is an opportunity to discuss important program requirements and updates and share best practices among Districts. It is usually held in the summer. There may be other workshops or meetings throughout the year as well.

CHAPTER 6

COMPLIANCE

The Downtown Development Districts Act of 2014 states, " Any municipality (or county in the case of an unincorporated area) having a District within its borders shall be responsible for providing the local incentives specified in its application, providing timely submission of reports and evaluations as required by rule or regulation, implementing an active local Development District program within the context of overall economic and community development efforts, and fulfilling such other responsibilities as may be required by law, rule, or regulation in connection with such District." (22 **Del. C.** § 1905)

The following are the requirements for compliance for municipalities with Downtown Development Districts:

Implementation of Local Incentives:

- Upon designation, the local government is required to implement the local incentives that are outlined in the application.
- Each completed application must include a realistic timeline for the implementation of incentives in the event the incentives are not already in place. The incentives are to be implemented in accordance with the timeline, as specified in the application.
- The local government must notify the OSPC in writing when each incentive or incentive package is implemented. The notification must include copies of all relevant ordinances and/or other documentation regarding the incentive.
- The local government must maintain a website that includes up to date information on the DDD in general and the local incentives or incentive package available within the DDD.
- Any delay in implementation must be immediately communicated to the OSPC in writing, and that communication must include detailed reasons for the delay and a revised timeline for implementation. The OSPC may, at its discretion, address the matter administratively or forward the matter to the CCSPI for review under the provisions of 22 **Del C.** § 1908.

Reporting to the OSPC:

- Local governments with DDDs shall be required to keep accurate records of development, redevelopment and revitalization activities within their respective Districts. These records shall include the utilization and effectiveness of each local incentive. The local government is expected to record the monetary or other value of each local incentive applied on a project by project basis.
- Local governments shall be required annually (on or before July 1) to report to the OSPC on the activities in and status of the DDD. The report must include detailed data on each local

incentive, and its use and/or application on a project by project basis in the previous year. The OSPC will provide a template to local governments which demonstrates the format and content of the report.

- Notwithstanding the above, the OSPC may request any information about District implementation, local incentives, or any other related topic at any time from a local government with a DDD. Local governments must provide any requested information in writing to the OPSC in a timely manner.

Responsiveness:

The Downtown Development District program is a partnership between the local government and the State. As such, good communication is essential to maintaining an effective partnership. The following shall apply to communications between the local governments and the State regarding the DDD program.

- The OSPC is the primary contact between the local government and the State regarding the District itself. The DSHA is the primary contact between the local government and the State regarding the District Rebate Program.
- The OSPC and/or DSHA can request information from the local government at any time.
- It is the local government's responsibility to respond to all requests for information in writing and in a timely manner. For purposes of this program, a timely manner means that a written response will be provided in no more than 30 days from the receipt of the request. Longer deadlines for more involved data requests may be mutually agreed upon.
- The OSPC and the DSHA will follow the same standards for timeliness, 30 days, when responding to questions or requests from local governments involved in the DDD program.
- If a local government fails to respond in a timely manner to a request for information, the OSPC may continue to work with the local government to address the matter administratively or forward the matter to the CCSPI for review under the provisions of 22 **Del C.** § 1908.

Formal Review and Termination of Districts:

- The OSPC will review any questions or compliance issues that arise and will work in good faith with the local government to remedy the compliance issue. The OSPC may involve DSHA or any other State Agency in the review and resolution of these issues.
- The local government's performance in administration of the District may be reviewed by the Committee at the request of the OSPC. District designation may be rescinded if the local government is not able to administer the DDD program.
- The local government's performance in administering local incentives may be reviewed by the Committee at the request of the OSPC. The District designation may be rescinded by the Committee if the agreed upon incentive package is not implemented and maintained by the local government.

- At the OSPCs discretion, compliance issues that cannot be resolved administratively will be forwarded to the Cabinet Committee on State Planning Issues for review.
- The CCSPI will follow the procedures set forth in 22 **Del. C.** § 1908 regarding formal review and potential termination of the District.

CHAPTER 7

AMENDMENTS

The Downtown Development Districts Act of 2014 states, "A municipality or county may apply to the office to amend the boundaries of the District or to amend one or more District incentives, provided that any revised incentive proposed by the municipality or county shall be equal or superior to the incentive for which the amendment is sought. All proposed amendments are subject to review by the Committee." (22 **Del. C.** § 1907)

The following are the requirements for requesting amendments to District boundaries or incentives, as well as procedures to identifying Key Priority Projects:

<u>District Boundary Amendments:</u>

The Downtown Development District program is designed to provide designated Districts within local governments where the local government and the State will partner to provide a suite of incentives to encourage redevelopment and revitalization. As such, it is very important that the boundaries for these Districts remain consistent over time to ensure predictability to investors and developers and also to concentrate the redevelopment activities so that they may catalyze additional redevelopment.

- Local governments should seek to amend District boundaries sparingly, and only with good cause in response to changing conditions or new opportunities.

- Requests for boundary amendments will be accepted for review annually. The request should accompany the local government's report on District activity that is to be submitted to the OSPC on or before July 1 of each year.

- The OSPC reserves the right to consider boundary amendments more than once a year on a case-by-case basis.

- Each boundary amendment request must include a map clearly indicating the current boundary and the proposed new boundary. If the local government has created the map using Geographic Information System (GIS) software, the GIS data must accompany the request.

- Each boundary amendment request must include a letter that clearly states the reasons for the request and the potential positive impacts on the District if the request is granted.

- The total acreage of the District after the amendment must remain within the total acreage allowable for the local government based upon the population of the jurisdiction. OSPC will

independently verify the acreage of any request using GIS software before it is forwarded to the CCSPI. If no GIS data is provided with the request, the OSPC will digitize the boundary for analysis. Requests for District boundaries that exceed the acreage thresholds will not be forwarded to the CCSPI.

- Parcels should not be removed from the District boundaries in order to amend the boundaries to include different parcels. If the removal of a parcel from the current boundaries is proposed, the OSPC will address these requests on a case-by-case basis. In these cases, it will be essential for the local government to document a property owner's consent to be removed from the District.

- The guidelines regarding the size and shape of the District and the fact that enclaves are not permitted apply to any amended boundary the same as they do for the initial boundary requested in the application.

- Upon receipt of a boundary amendment request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration in accordance with 22 **Del C.** § 1907**.**

- If approved, the local government shall provide documentation to the OSPC that the boundary amendment has been approved by the local legislative body. Approval by the local legislative body must be after approval by the CCSPI. The change is not considered to be in effect for OSPC administrative purposes or rebate requests to DSHA until the proper documentation has been received and validated.

- Please note that the maximum acreage for Districts has been increased for the FY19 Application Cycle. Local governments with Designated DDDs may take advantage of the expanded acreage for their population size through the Boundary Amendment process detailed here. All guidelines governing District Boundaries (contiguity, compact, focus on CBD, etc.) remain in effect.

<u>Incentive Amendments:</u>

The Downtown Development District program is designed to provide designated Districts within local governments where the local government and the State will partner to provide a suite of incentives to encourage redevelopment and revitalization. It is expected that the local government incentives will be robust and meaningful for potential investors and developers in DDDs. The incentives should also be stable and long term to inspire confidence and predictability during the project planning, approval and development cycle. This cycle could take years for complex projects. Even so, the Act provides an opportunity to propose amending incentives to increase their performance and attractiveness. It is also

possible to suggest new incentives in order to improve the attractiveness of the District to investors and developers.

The local incentive package should be transparent to applicants, be complimentary to the DDD Rebate program, and provide measurable monetary or other value to redevelopment projects in the District that qualify for the DDD Rebate program. It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. New or amended incentives or incentive packages that achieve these goals are enthusiastically encouraged by the OSPC and will be favorably recommended to the CCSPI for their consideration.

- Local governments should seek to amend or add local incentives sparingly, and only with good cause in response to poor performance, changing conditions and/or new opportunities.

- Requests for new or amended incentives will be accepted for review annually. The request should accompany the local government's report on District activity that is to be submitted to the OSPC on or before July 1 of each year.

- The OSPC reserves the right to consider new or amended incentives more than once a year on a case-by-case basis.

- The rationale for the new or amended incentive must be clearly stated in writing at the time of the request. Data regarding the utilization and performance of the incentive to be amended must be included and considered as a part of the rationale.

- The proposed new or amended incentives should address how the incentives will be fairly applied to existing investors or developers who may have proceeded with their planning, approval process, or actual construction under the old incentive package.

- Any request for new or amended incentives must place the proposed changes in the context of the entire local government incentive package and demonstrate that, if approved, the resulting new package will be equal to or superior to the previously approved package.

- Upon receipt of a new or amended incentive request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration in accordance with 22 **Del C.** § 1907**.**

- If approved, the local government shall provide documentation to the OSPC that the new or amended incentive has been approved by the local legislative body. The documentation must include all ordinances or other official documents that implement the incentive or incentive package. Approval by the local legislative body must be after approval by the CCSPI. The

change is not considered to be in effect for OSPC administrative purposes or rebate requests to DSHA until the proper documentation has been received and validated.

- The OSPC reserves the ability to approve incentive amendments that it deems to be administrative or technical in nature, and have no bearing on the actual incentive benefit to be delivered to investors in the District. Incentive amendments that meet this standard, as determined by OSPC, will not need to be forwarded to the CCSPI.

Adding Key Priority Projects:

Starting with the FY19 application cycle, there is a stronger emphasis on identifying **Key Priority Projects** in the District Plan. Key Priority Projects are:

> "A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program."

Local governments should identify specific Key Priority Projects in their District Plan. These do not have to be active development projects. Rather, they are opportunities recognized through the local government's planning and economic development processes. General or vague descriptions of entire classes of properties or projects do not qualify as Key Priority Projects. See the following table for an example:

Example description of an **acceptable** Key Priority Project	Example description of an **unacceptable** Key Priority Project
The historic home at 123 S. Main Street (parcel number ____) has been vacant for many years. This is a critical corner on our Main Street, and the vacancy is depressing property values and discouraging other investment along the street. This would be an ideal project for a historic renovation and adaptive reuse to commercial and/or office space to add services and employees to our downtown area. The redevelopment will also catalyze investment in other near-by properties along this part of Main Street.	All vacant commercial buildings on Main Street.

- Local governments with existing Designated Downtown Development Districts are encouraged to consider evaluating their District Plan to identify Key Priority Projects. Existing Districts may amend their plans to add Key Priority Projects using these procedures.

- All Districts are encouraged to periodically evaluate potential Key Priority Projects and may amend their plans to add Key Priority Projects throughout the period of District Designation using these procedures.

- Requests for new or amended Key Priority Projects will be considered annually. The request should accompany the local government's report on District activity that is to be submitted to the OSPC on or before July 1 of each year.

- The OSPC reserves the right to consider new or amended Key Priority Projects more than once a year on a case-by-case basis.

- The rationale for the new Key Priority Project must be clearly stated in writing at the time of the request. The rationale should include a specific location (parcel number or address), a description of how the project will catalyze redevelopment in the District, actions needed to implement the project, and a discussion of challenges or obstacles to project implementation.

- Upon receipt of a new or amended Key Priority Project request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration.

APPENDIX 1

SAMPLE DISTRICT PLANS

Summary of Plan 1, Town of XYZ – The "Superior" Plan

This is a summary of a hypothetical District Plan that includes the elements that would make such plan an example of a "superior" submission by a municipality or county. It serves to demonstrate how these elements may be combined in a District Plan.

District Description

The Town of XYZ identified a district centered on Main Street, the core of their traditional historic downtown CBD. The town has a population of 15,000 people, so they chose a district of 120 acres that includes their CBD and some adjacent residential areas and connected commercial properties. These areas are all in need of revitalization. The residential neighborhoods are among the poorest in the city and the buildings are mostly in need of repair, which the community feels is hampering economic development activities on the Main Street. The town has worked with the public through a variety of participation activities, including a charrette, to determine the boundaries of the area and the key objectives for redevelopment. The town has been working for years to redevelop a vacant commercial property that they own adjacent to Main Street. In their District Plan this property is identified as a Key Priority Project, and a key component of phase 1 of the plan is to attract a developer to construct the mixed use development on the parcel that they envision.

The town used relevant data to support the need for the creation of the district. With Census and other data they were able to submit verifiable evidence that the proposed District has a high poverty rate, low homeownership, many vacant buildings and a high number of structures with code violations.

The town was able to identify a variety of potential positive impacts, including economic development, increased services for residents, and jobs near transportation and neighborhoods. By attracting more residents the town hopes that more transit will be available downtown as density increases. They also feel that redevelopment of the downtown will increase pride in the community, and in turn, encourage more investment.

Development / Redevelopment Strategy

The District Plan clearly articulates several overarching goals and objectives that will guide the community as it implements the plan. For example, one goal is to increase home ownership and it is linked to the objective of coordinating homeownership incentives in the District between local incentives, DSHA programs, and the DDD funds.

This town went further by specifying some key actions that will enable the community to achieve these lofty goals. One key action has been already completed. As a result of the charrette the town enacted a form based code and other land use regulation which allows for administrative review of development projects that meet the plan. These regulations greatly reduce the time for approval and do not require public hearings unless the development deviates from the approved development plan and regulations. The public was fully engaged in the development of the plan and regulations through the charrette, and is fully supportive.

An example of another key action is that the town identified several specific projects that are either "shovel-ready" or are on the cusp on being redeveloped if the right incentives are available. In its application, the town described the efforts it would undertake to bring these projects to fruition, which included educating stakeholders on all of incentives available, including local incentives and the DDD program. In addition, the Town identified their Key Priority Project as a future mixed use development that is ready to get started within 6 months. Since the Town controls the property, they will be able to work directly with the future developer to expedite the process.

Of the 120 acres of the DDD, the Town selected a 60-acre area as the first phase. This phase contains the four most important blocks of the CBD, including the above mentioned specific properties and the Key Priority Project. The plan indicates that they intend to concentrate incentives in this area in hopes that new development here will catalyze other redevelopment activities throughout the District in future years.

Local Incentives

The town council has already amended the land use regulations in an effort to speed up the land use review process to allow administrative review available for projects that meet the plan. In addition, Council has introduced an ordinance that would waive building permit fees and allow for reduced sewer and water impact fees for projects in the District that are in conformance with the District Plan. The town has also committed to piloting a community policing program in the District and stepping up efforts to enforce code violations against problem landlords.

Consistency with other Planning Documents

The proposed District is in Level 1 in the *State Strategies*, and has been identified in The Town of XYZ's comprehensive plan as a mixed use downtown area. Other chapters of their comprehensive plan address redevelopment in the downtown and correspond to the goals of the DDD Program. The Town has been in the process of implementing their comprehensive plan, which has included the charrette and the new form based code and land use regulations recently adopted. This District Plan is presented as an extension of the implementation of the Town's comprehensive plan.

Coordination

The town has established a leadership role to guide the successful implementation of the comprehensive plan, and that team will continue their work by adding on the responsibilities of the DDD program. A key component of the town's approach is working with other governmental organizations,

businesses, and non-profits. They have signed agreements with the local Main Street group and a non-profit housing organization to coordinate efforts. In addition, the town has appointed its town planner to be an ombudsman to walk applicants through the development process in the proposed DDD. Other Town departments, such as public works, are actively involved and are working to realign the CIP to prioritize projects in the DDD that will compliment redevelopment efforts.

Discuss Land Use and Urban Design Rules and Regulations

In their application, the town included the text and maps from its comprehensive plan that identified the downtown area and set the goals for redevelopment. The town also provided the report written as a result of the charette process which detailed desired urban design features, and led to the new land use regulations that have already been adopted. Finally, the town presented the new regulations which are graphic in nature, and give a clear picture of the desired outcomes.

Public Comment and Council Approval

The charrette process used to create the new land use regulations was really a detailed master planning exercise. It included widespread public outreach and many residents and business owners from the downtown participated. As evidenced by a resolution passed unanimously by town council in support of the plan and application, the town received significant "buy-in" with respect to its redevelopment strategy. Land use regulations passed without opposition. There were also public meetings as the District Plan and application were being prepared, and the community is excited to be included in the program and enthusiastically supports the application.

Summary

As you can see, the community is well aware of the difficulties faced in their downtown and has taken concrete steps over a period of time to reach solutions to these issues. The District Plan is an extension of these efforts and will add to efforts already underway. The District Plan contains not only goals and objectives backed up by data, but also some specific projects that members of the community have identified. In short, the Town of XYZ appears to be well positioned to provide leadership for redevelopment activities in their downtown and the DDD program will provide them additional incentives to help further their efforts.

Summary of Plan 2, Town of ABC – The "Less than Ideal" Plan

This is a summary of an imaginary District Plan that does not include the elements envisioned by the DDD Program. Although the municipality has filled out the application and created a District Plan it appears that the community is not well positioned to successfully implement a downtown redevelopment program.

District Description

Even though the Town of ABC has only 9,100 residents, they have selected the maximum size for the District, 170 acres. They only chose to include a small portion of the traditional downtown area, although the rest of the downtown clearly could benefit from redevelopment activities. The boundaries do not have a regular shape, but rather they appear to be gerrymandered to include lower density residential neighborhoods and suburban style strip commercial areas that front the highway.

The town's overall goals and objectives were very general and it was not clear how, or if, these goals informed the creation of the proposed District. The positive potential impacts were similarly general, and the data did not support the need because the neighborhoods and commercial areas selected did not appear to be in need of redevelopment.

Development / Redevelopment Strategy

The overarching goals and objectives were very general, and the plan did not clearly and concisely describe actions and strategies. Although the goals and objectives were generally applicable to downtown redevelopment, it could not be determined from the application that they were relevant to this town or the areas selected. No specific parcels were identified as being "shovel ready" or otherwise poised to take advantage of the incentives offered under the DDD Program.

The Town selected the maximum acreage, but did not propose any phasing or timing. There are no specific projects mentioned, and the Town is not involved in any specific redevelopment activities at the present time.

Local Incentives

In their application the Town of ABC indicated that they will be exploring a reduction in the building permit fee for projects in the proposed District. However, it is not clear if there is any council support for this proposal because no ordinances have been introduced yet and there is not even a draft ordinance available to attach to the application. The Town indicates that they are not considering reducing their sewer or water impact fees at this time. They did not mention land use regulations or the land use process in their application

Consistency with other Planning Documents

Most of the proposed District is in Level 1 of the *State Strategies*, and portion of the low density residential neighborhood is in Level 2. The Town's comprehensive plan identifies these areas as low density residential and highway commercial. The small portion of the downtown CBD that is in the

District is identified for commercial use. It is not clear from the application or the plan how these designations support compact, mixed use development.

Coordination

There are two downtown organizations and a non-profit housing group active within the identified district, all working on different projects. These groups work independently of one another. Although two of the groups have town council members on their boards, the Town is not formally involved with any of these organizations. The application makes no mention of any attempt to coordinate their activities.

Discuss Land Use and Urban Design Rules and Regulations

The land use regulations support low density residential and highway commercial development, not the mixed use development that is discussed in the application. In fact, the small portion of the CBD included in the district is identified as "commercial" which does not allow for residential dwellings in either the plan or the current zoning ordinance.

The zoning ordinance itself was last updated in 1973, and appears to be a traditional Euclidean ordinance that calls for a strict separation of uses. The application makes no mention of revising the ordinance.

Public Comment and Council Approval

It does not appear that the Town of ABC held any public workshops or other outreach efforts as they prepared their application. They did provide minutes to demonstrate that it was an agenda item at a regular council meeting, but there was no public hearing. The town's application did not include a resolution evidencing the town council's support of the plan and application.

Summary

It appears that The Town of ABC is not ready for the program. The area they chose was large, unfocussed, not phased, and included areas that do not appear to match the goals of the Downtown Development Districts Program. The goals and objectives are very general and not specific to the community. It does not appear that the Town is interested in or able to take a leadership role in coordinating with other groups involved in downtown redevelopment. Finally, the Town Council has not provided a resolution supporting the application or any evidence of a meaningful and compelling package of local incentives.

APPENDIX 2

DISTRICT PLAN CHECKLIST

Plan Elements[5]	*Content*
District Description	Describe: ☐ Citywide map with outlined district ☐ District map - Districts must be contiguous, and be no more than 85 acres in area for local governments with a population under 9,000 and no more than 170 acres in area for local governments with a population between 9,000 and 30,000 and no more than 225 acres for local governments with a population over 30,001. If using the maximum acreage it is recommended that you identify phasing and prioritization of the area. ☐ Districts must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)[6]. The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. ☐ The need for the Downtown Development District economic incentives must be documented with the use of relevant data and other methods as discussed in the application. ☐ Identify the potential positive impacts that are likely to accrue due to designation as a District.
Development/ Redevelopment Strategy	☐ Describe overall goals and objectives for the selected area. ☐ The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. ☐ If proposing the maximum acreage, phasing and prioritization is preferable. ☐ Identify priority areas/sites. ☐ List any known projects that can be underway within 6 to 12 months ☐ Include an implementation timeline.
Local Incentives	☐ What local incentives will be available to the district upon its designation (e.g., fee or tax reductions, permit or licensing reform …)? ☐ Describe how these incentives will work in concert with the Downtown Development District benefits.
Consistency with other planning documents	☐ The most recently certified comprehensive plan; ☐ The Strategies for State Policies and Spending; ☐ local and state land use regulations; ☐ other overlay district regulations (e.g., historic districts, BIDS, …)
Discuss land use and urban design rules and regulations that will be applied to the district	☐ Adequacy of current zoning ☐ Adequacy of current land use regulations ☐ Adequacy of current design standards such as historic review overlays, … ☐ Map showing current zoning and land use regulations that apply ☐ Map showing proposed zoning and land use changes needed (if any) to accomplish goals and objectives
Coordination	☐ Discuss how the local government envisions itself in a leadership role to guide the successful implementation of the District Plan ☐ If other governmental, non-governmental and/or quasi governmental organizations are involved with revitalization efforts in the downtown area they must be identified and it must be demonstrated that coordination of all activities will be part of the District Plan.
Public Comments	☐ How will public input be obtained?

[5] More detailed information on the plan elements can be found in the application document.
[6] Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

APPENDIX 3

DOWNTOWN DEVELOPMENT DISTRICTS ACT OF 2014

SPONSOR: Sen. Henry & Sen. Bushweller & Sen. Marshall & Rep. Keeley & Rep. Bolden & Rep. Scott
Sens. Blevins, Ennis, McDowell, Sokola, Townsend; Reps. Bennett, Potter, Ramone, Spiegelman, Paradee, D. Short, D.E. Williams, Wilson

DELAWARE STATE SENATE
147th GENERAL ASSEMBLY

SENATE BILL NO. 191

AN ACT TO AMEND TITLES 22, 29, 30, AND 31 OF THE DELAWARE CODE RELATING TO DOWNTOWN DEVELOPMENT DISTRICTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 22 of the Delaware Code by inserting a new Chapter 19 therein and by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 19. The Downtown Development Districts Act.

Subpart I. Establishment, Amendment, and Termination of Districts.

§ 1901. Purpose. Healthy and vibrant downtowns are critical components of Delaware's economic well-being and quality of life. The purpose of this chapter is to leverage the resources of state government in a limited number of designated areas in Delaware's cities, towns, and unincorporated areas in a multifaceted effort:

(a) To spur private capital investment in commercial business districts and surrounding neighborhoods;

(b) To stimulate job growth and improve the commercial vitality of such districts and neighborhoods;

(c) To help build a stable community of long-term residents in such districts and neighborhoods by improving housing opportunities for persons of all incomes and backgrounds; increasing homeownership rates; building a diverse array of successful businesses; and reducing the number of vacant houses; and

(d) To help strengthen neighborhoods, while harnessing the attraction that vibrant downtowns hold for talented young people, innovative small businesses, and residents from all walks of life.

§ 1902. Definitions. As used in this chapter:

(1) "Committee" means the Cabinet Committee on State Planning Issues established pursuant to 29 *Del.C.* §§ 9101 *et seq.*

(2) "District Plan" means the strategic plan or other detailed description of the overall strategy for the development of a proposed district submitted by the municipality or unincorporated area as part of its application for District designation.

(3) "DSHA" means the Delaware State Housing Authority.

21 (4) "Downtown" means that portion of a city, town, or unincorporated area that traditionally comprises its
22 downtown or central business district, as determined by such city, town, or unincorporated area in accordance with
23 guidelines promulgated by the Office.
24 (5) "Downtown Development District" or "District" means an area within a municipality or unincorporated area
25 designated as a Downtown Development District in accordance with the provisions of this chapter.
26 (6) "Municipality" means any incorporated town or city of this State.
27 (7) "Office" means the Office of State Planning Coordination.
28 (8) "Unincorporated area" means an area of the State having a concentration of population that is not a
29 municipality and that is eligible to apply for and receive District designation in accordance with rules promulgated by the
30 Office.
31 § 1903. Applications for District designation.
32 (a) At the request of the Governor, the Office shall solicit applications from municipalities and unincorporated
33 areas to have an area designated as a Downtown Development District. Such application shall include a description of the
34 area to be included; the need for District incentives; the District Plan; local incentives offered; and such other information
35 as may be required by the Office.
36 (b) The Office of State Planning Coordination shall administer the application process and establish criteria to
37 determine what areas qualify as Downtown Development Districts. The Office is authorized to take such actions as may be
38 necessary or convenient to fulfill its responsibilities hereunder, including but not limited to promulgating rules and
39 regulations relating to the establishment, amendment, and termination of Districts and providing assistance to
40 municipalities and unincorporated areas in connection with the application process.
41 (c) The criteria for designating areas as Downtown Development Districts shall include:
42 (1) The need and impact of such a designation for such area, including but not limited to income, unemployment
43 rate, homeownership rate, and prevalence of vacant or abandoned housing units in such municipality or unincorporated
44 area. Need and impact factors shall account for at least 50 percent of the consideration given to applications for District
45 designation;
46 (2) The quality of the municipality's or unincorporated area's District Plan;
47 (3) The quality of the local incentives offered; and
48 (4) Such other criteria as may be determined by the Office.
49 § 1904. Review and approval of applications.

50 (a) Applications for District designation shall be evaluated by the Cabinet Committee on State Planning Issues,
51 which shall recommend to the Governor those applications with the greatest potential for accomplishing the purposes of
52 this chapter.
53 (b) Upon receipt from the Committee of any recommended application, the Governor (i) may designate
54 immediately the recommended area as a District; (ii) may designate the recommended area as a District effective one year
55 from the date of such determination by the Governor; or (iii) may deny such application.
56 (c) The initial round of applications shall result in the immediate designation of at least one but no more than three
57 Districts.
58 § 1905. Designation, renewal, and amendment of Districts.
59 (a) No more than 15 Districts shall be designated at any one time. Designation of the first three Districts shall
60 include one District in each county.
61 (b) Districts shall be designated for an initial 10-year period. Upon recommendation of the Committee, the
62 Governor may renew Districts for up to two five-year renewal periods. Recommendations for renewals shall be based on
63 the performance of District responsibilities by the municipality (or county in the case of an unincorporated area); the
64 continued need for such a District; and its effectiveness in creating capital investment, increasing population, creating jobs,
65 improving housing stock, providing enhanced retail and entertainment opportunities, and otherwise improving the quality
66 of life within such District.
67 (c) Any municipality (or county in the case of an unincorporated area) having a District within its borders shall be
68 responsible for providing the local incentives specified in its application, providing timely submission of reports and
69 evaluations as required by rule or regulation, implementing an active local Development District program within the
70 context of overall economic and community development efforts, and fulfilling such other responsibilities as may be
71 required by law, rule, or regulation in connection with such District.
72 (d) Each District shall be required to submit regular reports and information to the Office as may be necessary to
73 evaluate such District's effectiveness and compliance with this section.
74 § 1906. Local incentives.
75 (a) Any municipality or unincorporated area submitting an application for District designation shall propose local
76 incentives that address local economic and community conditions, and that will help achieve the purposes set forth in §
77 1901 of this chapter. Such local incentives may include but are not limited to a reduction in fees or taxes. In addition, the
78 application may also contain proposals for regulatory flexibility, which may include but are not limited to permit process
79 reforms, special zoning districts, or exemptions from local ordinances.

80 (b) All incentives proposed in the application shall be binding upon the municipality (or county in the case of an
81 unincorporated area) upon designation of the District. The extent and duration of such incentives shall be consistent with
82 the requirements of the Delaware Constitution and the United States Constitution.
83 (c) A municipality or county may establish eligibility criteria for local incentives that differ from the criteria
84 required to qualify for the incentives provided in this chapter.
85 § 1907. Amendments to District boundaries and incentives.
86 A municipality or county may apply to the Office to amend the boundaries of the District or to amend one or more
87 District incentives, provided that any revised incentive proposed by the municipality or county shall be equal or superior to
88 the incentive for which the amendment is sought. All proposed amendments are subject to approval by the Committee.
89 § 1908. Formal Review and Termination of Districts.
90 (a) If a municipality (or a county in the case of an unincorporated area) fails to fulfill its obligations pursuant to §
91 1905 or as otherwise set forth in this Act, then the Office may recommend to the Committee that the District be placed
92 under formal review or that its District designation be terminated.
93 (b) Except in instances where a city, town, or municipality fails to provide local incentives in accordance with §
94 1906 hereunder, the Office (1) may not recommend placing any District under formal review for at least 2 years following
95 the initial designation of such District, and (2) may not recommend terminating the designation of any District for at least 1
96 year following the placement of the District on formal review by the Committee.
97 (c) In no event shall the Office recommend formal review or termination of any District without providing
98 sufficient notice and opportunity to be heard to such District.
99 (d) The Committee may approve any recommendation by the Office to place a District under formal review or to
100 terminate a District's designation upon the affirmative vote of three-fifths of the members of the Committee.
101 (e) The Office may promulgate regulations to authorize the continuation of previously authorized District
102 incentives for a reasonable period following termination of the District; provided, however, that no new incentives shall be
103 authorized for any entity after the date of termination.
104 Subpart II. Downtown Development District Grants.
105 § 1921. Qualifications for Downtown Development District Grants.
106 (a) Subject to the limitations set forth in this subpart, any Qualified District Investor making a Qualified Real
107 Property Investment in a District shall be entitled to a Grant in an amount up to 20 percent of the Qualified Real Property
108 Investments made by such Qualified District Investor in excess of the Minimum Qualified Investment Threshold.
109 (b) For purposes of this chapter:

110 (1) "DDD Grant" or "Grant" shall mean a Downtown Development District Grant as set forth in paragraph (a)
111 hereunder.
112 (2) "Facility" means a complex of buildings, co-located at a single physical location within a District, all of which
113 are necessary to facilitate the conduct of the same residential, trade, or business use. This definition applies to new
114 construction as well as to the rehabilitation and expansion of existing structures.
115 (3) "Minimum Qualified Investment Threshold" means the minimum level of Qualified Real Property Investments
116 required to be made by a Qualified District Investor in a building or facility in order to qualify for a DDD Grant, as
117 determined by DSHA. Notwithstanding the foregoing, for the fiscal year ending June 30, 2015, the Minimum Qualified
118 Investment Threshold shall be $25,000 with respect to a single residential or mixed-use building or a facility. No more
119 often than once per year, DSHA may amend the Minimum Qualified Investment Threshold with respect to uses (residential,
120 commercial, industrial, etc.), types of projects (rehabilitation, new construction, etc.), or other criteria determined by DSHA
121 to be necessary or convenient to accomplish the purposes of this chapter.
122 (4) "Qualified District Investor" means an owner or tenant of real property located within a District who expands,
123 rehabilitates or constructs such real property for residential, commercial, industrial or mixed use. In the case of a tenant, the
124 amounts of qualified real property investment specified in this section shall relate to the proportion of the building or
125 facility for which the tenant holds a valid lease. In the case of an owner of an individual unit within a common interest
126 community, as such term is defined in 25 *Del.C.* § 81-103(11), the amounts of qualified real property investments specified
127 in this chapter shall relate to that proportion of the building for which the owner holds title and not to common elements.
128 (5) "Qualified Real Property Investment" means the amount in excess of the Minimum Qualified Investment
129 Threshold that is properly chargeable to a capital account for improvements to rehabilitate, expand or construct depreciable
130 real property placed in service during the calendar year within a District. Specific inclusions and exclusions from the
131 definition of "Qualified Real Property Investments" shall be determined by DSHA, but such definition shall generally
132 include expenditures associated with (i) any exterior, interior, structural, mechanical or electrical improvements necessary
133 to construct, expand or rehabilitate a building or facility for residential, commercial, industrial, or mixed use; (ii)
134 excavations; (iii) grading and paving; (iv) installing driveways; (v) landscaping or land improvements; and (vi) demolition.
135 Notwithstanding the foregoing, no investment in the rehabilitation, expansion, or construction of any building or facility in
136 a District shall be a Qualified Real Property Investment unless it is performed in accordance with the District Plan.
137 § 1922. Limitations and Conditions.
138 (a) The availability of Downtown Development District Grants in any given year shall be subject to appropriation
139 by the General Assembly.

140 (b) In addition to its other powers and responsibilities hereunder, DSHA is expressly authorized to establish such
141 other limitations and conditions with respect to Grants as may be necessary or convenient to accomplish the purposes of
142 this chapter, including but not limited to:
143 (1) Amending the Minimum Qualified Investment Threshold;
144 (2) Establishing caps or limits on DDD Grants available to any Qualified District Investor, alone or in combination
145 with other local, state, or federal incentives for any individual building or facility (including but not limited to State
146 Historic Preservation Tax Credits pursuant to Chapter 18 of Title 30);
147 (3) Establishing additional qualifying criteria with respect to uses (residential, commercial, industrial, etc.) or
148 types of projects (rehabilitation, new construction, etc.);
149 (4) Incentivizing particular types of uses or projects in one or more Districts; and
150 (5) Establishing such other limitations and conditions in one or more Districts as DSHA shall determine from time
151 to time.
152 (c) DSHA may establish or amend the foregoing limitations and conditions no more often than once per year.
153 § 1923. Policies and procedures for allocation of Downtown Development District Grants.
154 (a) Qualified District Investors shall be eligible to receive DDD Grant provided for in this chapter to the extent that
155 they apply for and are approved for grant allocations through DSHA.
156 (b) The accuracy and validity of information on Qualified Real Property Investments shall be subject to
157 verification procedures in accordance with rules promulgated by DSHA on forms supplied by DSHA and in accordance
158 with dates specified by DSHA.
159 § 1924. Administration.
160 (a) DSHA shall have the primary responsibility for administering the DDD Grant program. In connection
161 therewith, DHSA's powers and duties shall include but not be limited to the following:
162 (1) Adopting such rules and procedures as may be necessary or desirable to effectuate the provisions of this
163 chapter;
164 (2) Administering, enforcing, and interpreting such rules and procedures;
165 (3) Allocating Grant funds in accordance with the provisions of this chapter; and
166 (4) Monitoring the implementation and operation of this subpart.
167 (b) Beginning no later than December 31, 2015, DSHA shall issue an annual report to the Governor and the
168 General Assembly evaluating the effectiveness of the Grant program established hereunder.

169 (c) DSHA may delegate to, and receive assistance from, other entities including the Office, DEDO, and other state
170 agencies in carrying out its responsibilities hereunder.
171 Section 2. Amend Title 29, § 9101(a) of the Delaware Code by making deletions as shown by strikethrough and
172 insertions as shown by underline as follows:
173 § 9101 Cabinet Committee on State Planning Issues.
174 (a) A Cabinet Committee on State Planning Issues is established and shall serve in an advisory capacity to the
175 Governor. It shall be comprised of the following members or their respective designees:
176 (1) The Secretary of the Department of Natural Resources and Environmental Control.
177 (2) The Secretary of the Department of Transportation.
178 (3) The Secretary of the Department of Agriculture.
179 (4) The Director of the Delaware Economic Development Office.
180 (5) The Director of the Delaware State Housing Authority.
181 (6) The Secretary of the Department of Safety and Homeland Security.
182 (7) Such others as the Governor may designate.
183 Section 3. Amend Title 29, § 9101(c) of the Delaware Code by making deletions as shown by strikethrough and
184 insertions as shown by underline as follows:
185 (c) The Committee shall consider matters relating to the orderly growth and development of the State, including,
186 but not limited to:
187 (4) Recommendations on land use planning actions that are subject to review and comment pursuant to Chapter 92
188 of this title; ~~and~~
189 (5) Preparing the Strategies for State Policies and Spending document and maps, which shall serve as the primary
190 policy guide that summarizes the State's land use goals, policies and strategies and directs state spending into investment
191 levels that support the most efficient use of state resources, be they physical, fiscal, or natural, except that county and
192 municipal governments shall retain their existing autonomy with respect to the land use designations set forth in their
193 proposed and/or adopted comprehensive plans. The Strategies for State Policies and Spending shall be updated at least
194 every 5 years, provided that the Governor may extend the deadline at his or her discretion~~.~~; and
195 (6) Performing such other duties and responsibilities with respect to Downtown Development Districts as set forth
196 in Chapter 19 of Title 22.
197 Section 4. Amend Title 29, § 9101(h) of the Delaware Code by making deletions as shown by strikethrough and
198 insertions as shown by underline as follows:

199 The Office of State Planning Coordination shall render local planning technical assistance. The Office of State
200 Planning Coordination may serve as the lead agency to engage other state agencies, local governments, and other
201 governmental and nongovernmental organizations for the purposes of coordinating planning activities, promoting liaison
202 between various state agencies and local governments, building capacity through training and sharing of digital and other
203 information, developing infrastructure plans and master plans, addressing specific growth and design issues, and such other
204 actions as are appropriate to achieve the purposes of this chapter. The Office of State Planning Coordination shall develop
205 and promote cooperation and coordination among state agencies and local governments to ensure effective and efficient
206 planning and infrastructure investment. The Office of State Planning Coordination may make grants available to county and
207 municipal governments to assist them in achieving any of the objectives outlined in this section, provided that funded
208 activities and deliverables are in compliance and in harmony with the Strategies for State Policies and Spending. The Office
209 of State Planning Coordination shall further have such authority and responsibility with respect to Downtown Development
210 Districts as set forth in Chapter 19 of Title 22.

211 Section 5. Amend Title 30, § 1812(6) of the Delaware Code by making deletions as shown by strikethrough and
212 insertions as shown by underline as follows and renumbering the remaining sections accordingly:

213 (6) "Downtown Development District" means an area of a city or down that has been designated by the Governor
214 as a Downtown Development District in accordance with Chapter 19 of Title 22.

215 Section 6. Amend Title 30, § 1816(a) of the Delaware Code by making deletions as shown by strikethrough and
216 insertions as shown by underline as follows:

217 (a) The maximum amount of credit awards under this chapter in any fiscal year shall not exceed $5,000,000. One
218 hundred thousand dollars of the credit awards in a fiscal year must be reserved for distribution to qualified resident curators.
219 If in any fiscal year there are insufficient qualified resident curators to exhaust this allotment, the unused credit amount will
220 be available in the next fiscal year for award to persons qualifying under § 1813(a)(1) or (2) of this title. In any ~~1~~ one year,
221 ~~$2,000,000~~ $1,500,000 of tax credits shall be reserved for projects receiving a credit of not more than $300,000. In
222 addition, in any one year, $1,500,000 of tax credits shall be reserved for projects located in Downtown Development
223 Districts, of which $500,000 shall be reserved for projects in such Districts receiving a credit of not more than $300,000.
224 On April 1 of each year, any unused balance of the ~~$2,000,000 pool~~ foregoing pools of tax credits shall be available to any
225 eligible project. However, should a credit award exceed the actual credit claimed, the amount of the excess credit award
226 shall not be available for a subsequent award.

227 Section 7. Amend Title 31, § 4002(a) of the Delaware Code by making deletions as shown by strikethrough and
228 insertions as shown by underline as follows:

229 § 4002 Purpose.

230 (a) It is the purpose of this chapter that DSHA have the authority and capacity to:

231 (9) Advise and inform the Governor and the public on the affairs and problems relating to housing and community

232 development and revitalization, and make recommendations to the Governor for proposed legislation pertaining thereto;

233 ~~and~~

234 (10) Administer such provisions of the Downtown Development District Act as set forth in Chapter 19 of Title 22;

235 and

236 (11) Operate DSHA's financial affairs in a prudent and sound manner.

237 Section 8. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the

238 invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision

239 or application; and, to that end, the provisions of this Act are declared to be severable.

SYNOPSIS

Healthy and vibrant downtowns are critical components of Delaware's economic well-being and quality of life. The Downtown Development Districts Act is intended to leverage state resources to spur private investment in commercial business districts and surrounding neighborhoods; to improve the commercial vitality of our downtowns; and to increase the number of residents from all walks of life in downtowns and surrounding neighborhoods.

This Act establishes "Downtown Development Districts," a small number of areas in our cities, towns, and unincorporated areas that will qualify for development incentives and other state benefits. Municipalities must apply for District designation. In the case of unincorporated areas, counties must apply. Applications will be evaluated by the Cabinet Committee on State Planning Issues, which will make recommendations to the Governor. Following the initial round of applications, the Governor must designate at least 1 but no more than 3 Districts. Designation of the first 3 Districts must include 1 District in each county. Under the Act, no more than 15 Districts may be designated at any one time.

As part of the application process, municipalities or counties must offer local incentives. The factors to be considered by the Committee when evaluating applications include, among others, (1) the municipality's or unincorporated area's need for District designation; (2) the quality of the District Plan; and (3) the quality of the local incentives offered. The Office of State Planning Coordination will prepare applications, establish criteria to determine what areas qualify as DDDs, and provide assistance to municipalities and counties during the application process.

Under the Act, investors (both non-profit and for-profit) who make qualified real estate improvements in a District would be entitled to receive Downtown Development District (DDD) Grants of up to 20 percent of their "hard costs" such as exterior, interior, and structural improvements. The incentive is modeled after a similar program in Virginia, which has been extremely successful in leveraging significant amounts of private capital in under-served areas. Investors would need to invest at least $25,000 in a building or facility to qualify, and the 20 percent incentive would only qualify with respect to investments above $25,000. For example, an investor making $45,000 worth of qualifying investments in a District would be entitled to a DDD Grant of up to $4,000 (*i.e.,* 20% of $20,000). The Act gives DSHA the authority to cap the amount of Grants and to establish further conditions and limitations.

In addition, because Delaware's Historic Preservation Tax Credit Program has proven to be a powerful tool both in preserving important historic structures and revitalizing neighborhoods, the Act also provides that 30% of the state's yearly allocation of HPTCs will be reserved for projects in Downtown Development Districts. If by April 1 of each year any such credits are not allocated to projects in DDDs, such credits will be made available to any eligible project statewide.

Author: Sens. Henry & Bushweller & Marshall

APPENDIX 4

FY19 APPLICATION FOR DESIGNATION AS A DISTRICT

DELAWARE DOWNTOWN DEVELOPMENT DISTRICTS

FY19 APPLICATION FOR DESIGNATION AS A DISTRICT

January 23, 2019

Inside Front Cover

Cover Photo Credits, left to right:

UD Creamery, Wilmington. Photo by UD IPA
Example of commercial rehab / tenant fit-out

MauTiste Investment Group, Dover. Photo by UD IPA
Example of residential new construction

115 NW Front Street, Milford. Photo by UD IPA
Example of historic residential rehab

Downtown Development District Program
How to Use this Application Form

This application is a Microsoft Word document that has been modified so that the text cannot be edited. The fields that can be edited are in gray. Please complete the application and return it to us saved as a Word document.

Many of the fields are questions that ask you to respond in either 100 or 750 words. You might find it helpful to write and edit your responses in a separate Word document and then paste them in to the application once they are complete. The 100 word statement is to be used internally for review and in printed materials where we need a concise description of each proposed District. Almost all other questions are suggested to be no more than 750 words, which is about a page and a half of text (using 12 point font). In these responses it is important to clearly and concisely answer each question. Your District Plan can go into much more detail about each topic, and it is appropriate and expected that you will reference your District Plan in these 750 word responses. There is no penalty for exceeding 750 words, but if you find that you are writing much more than 750 words please consider putting the additional information in your District Plan.

There are numerous attachments mentioned throughout this application. The most obvious one will be the District Plan. The application also asks for various maps, spreadsheets, letters of support, resolutions and data to be attached associated with particular questions. Please compile all of the attachments into one Adobe Acrobat (.pdf) document. It would be wonderful if you could include a table of contents, and organize these attachments in the order of the questions.

It is likely that when you are done with the application form (Word document) and the attachments (.pdf document) the combination of both documents will be larger than 15mb, which is the limit for external email in the State system. Instructions on how to send your application digitally will be forwarded to all jurisdictions at least one month prior to the deadline. If you have your application ready prior to that, please contact David Edgell or Miriam Pomilio for instructions on how to submit your completed application.

OSPC will provide technical assistance with Census data and GIS mapping if requested by local governments that can demonstrate the need for the assistance. We will provide assistance to all local governments on the technical aspects of completing this application and transmitting / uploading finished applications. To request assistance or if you have questions about any part of this application or the program in general please contact your Circuit Rider Planner at the Office of State Planning Coordination, (302) 739-3090.

FY19 Application for Designation as a District

Section I
General Guidelines

The Downtown Development Districts Act of 2014 (the Act) was enacted by the General Assembly in order to:

- Spur private capital investment in commercial business districts and other neighborhoods;
- Stimulate job growth and improve the commercial vitality of such districts and neighborhoods;
- Help build a stable community of long term residents by improving housing opportunities; and
- Assist local governments in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses and residents from all walks of life.

Local governments[1] that wish to take advantage of this program must identify a downtown district in their community and apply for designation. To make an application for designation this form must be completed, supporting materials must be attached, and the entire packet submitted to the Office of State Planning Coordination as detailed herein in order for the request to be considered.

Completed applications will be considered by the Cabinet Committee on State Planning Issues (the Committee). The Committee will make recommendations to the Governor, who may then designate additional Downtown Development Districts in the current program year. Additional Districts may be designated in future program years. The number of Districts is limited to 15 at any one time. District designations last for 10 years, and the Committee can consider up to two five year extensions.

Selection as a Downtown Development District will entitle private construction projects within the identified District to receive rebates to offset up to 20% of their capital construction costs. There are a host of other benefits that will be described in more detail in other materials. Rebate funds will be administered by the Delaware State Housing Authority (DSHA).

Applications must be addressed to the Office of State Planning Coordination as follows:

Mrs. Constance C. Holland, AICP
Director
Office of State Planning Coordination
122 Martin Luther King Jr. Blvd, S.
Dover, DE 19901

Application Due Date for FY19 Cycle:
May 15, 2019

[1] Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout this document, the terms "local government" and "applicant" refer to either the municipality or county that is presenting the application.

Section II
Specific Requirements

Local governments must identify proposed Downtown Development Districts in accordance with the Act. Districts must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)[2]. Districts must be no more than 95 acres in area for jurisdictions with a population under 9,000[3] persons, no more than 185 acres in area for jurisdictions with a population between 9,000 and 30,000 persons, and no more than 250 acres in area for jurisdictions with a population over 30,001 persons. Applicants are encouraged to geographically concentrate the incentives to the greatest extent possible.

The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. The applicant must fully describe the rationale for choosing the boundaries as a part of this application. Guidelines for preparing District boundaries are found on page 13 of this application in the section titled "Map of the Proposed Downtown Development District."

A map of the District is required as a part of this application. Local governments must also supply maps showing the future land use and zoning of the district area, and discuss how the plan and land use regulations support the application for the District.

There are four primary components of the application for designation as a District:

- The capacity to administer the DDD program if designated
- The need and impact of the District designation;
- The quality of the District Plan
- The quality of the local incentives offered

Each of these components will now be described in more detail.

Administration of the District –The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

The **Administration** section will account for 10% of the consideration given to scoring each application.

Need and Impact: The applicant must describe the need for the economic incentives that will be available in

[2] Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

[3] Population to be based on the 2010 US Census.

designated District. The need must be documented through the use of relevant data and other methods. The conditions of the local economy, income, poverty, homeownership rates, prevalence of vacant or abandoned buildings and other metrics may be used to make the case that the proposed District is in need of the incentives.

In addition, the applicant must describe the potential positive impacts that are likely to accrue due to designation as a District. Applicants are encouraged to describe the impacts using both data and other methods.

The **Need and Impact** section will account for 50% of the consideration given to scoring each application.

District Plan – The local government must present a District Plan that will be used to guide development activities and revitalization efforts in the District. The District Plan is to be a detailed description of the overall strategy for the development of a proposed district.

The applicant must demonstrate that the District Plan is consistent with the local government's certified Comprehensive Plan and the *Strategies for State Policies and Spending* and any other local planning documents or studies that are applicable. Additionally, if other governmental, non-governmental and/or quasi-governmental organizations are involved with revitalization efforts in the downtown area they must be identified and it must be demonstrated that coordination of all activities will be part of the District Plan.

The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. The overall vision of the plan, the clarity of actions to be taken, and proof of the ability and the will of the municipality or county and other partners to implement the plan will be key considerations when evaluating this section of the application.

In addition, it is encouraged that the District Plan identify Key Priority Projects[4] that are intended to catalyze redevelopment activity and provide significant positive impacts to the District.

The quality of the **District Plan** will account for 20% of the consideration given to scoring each application.

Local Incentives – The local government must detail a package of local development incentives that will apply within the proposed District. These incentives may include, but are not limited to, a reduction in fees or taxes; regulatory flexibility; permit process and licensing reform; special zoning districts; or exemptions from local ordinances. These incentives may either be currently in place and in use by the municipality or county or they may be proposed for implementation upon designation as a District. It is expected

[4] Key Priority Project: See *DDD Program Guidelines* for more information.

that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification in this application for the discretionary review and approval of specific incentives.

Upon designation as a District the local government is required to implement the incentive package as described and proposed for the duration of the District designation. Rebate funds will not be available to projects until the incentive package is adopted by the local government and made available to the project developer. Changes to the incentive package must be approved by the Committee. The District designation may be rescinded by the Committee if these conditions are not adhered to.

The quality of the **Local Incentives** will account for 20% of the consideration given to scoring each application.

Section III
Application Instructions

Local governments that wish to be considered for designation as a Downtown Development District must fill out the application form for the current FY19 application cycle.

For local governments that previously applied for designation in the FY16 round, their original applications remain on file with the OSPC. Applications on file from the FY14 round are expired and will not be considered. If the local government with an application on file from the FY16 round would like to be considered for designation in the FY19 round, they will have the following options:

- Complete a new application. This is preferred; or
- Have the FY16 application reviewed along with the required additional information provided in this application form along with any supplemental materials provided.

If a local government with an application on file from the FY16 wishes to have their existing application considered for designation in this round, they must complete the following required information in this application form. These sections must be completed in their entirety, meaning that all questions in the section (often multiple pages) must be answered:

- Application Cover Sheet and Checklist
- Information Sheet
- Administration of the District (new section)
- Key Priority Projects (new section, optional but suggested)
- Summary of Local Incentives (revised section)
- Resolution
- Attend Mandatory Pre-Application Workshop

If a local government with an application on file wishes to provide supplemental materials, the new materials must be

inserted in the appropriate locations on this application form. Attachments, such as a revised District Plan, are certainly permissible. The supplemental materials must be presented in a way that clearly demonstrates what changes, updates or new information is being provided. Actually highlighting or red –lining new materials would be most helpful.

Here are some details about the various parts of the application form:

Check List - self-explanatory.

Information Sheet - The local government must supply the jurisdiction's name, mailing address, and phone numbers. The applicant must provide the date of the last update of the comprehensive plan and briefly describe the District being proposed. All local governments must complete this form, even those with applications on file from a previous round.

Administration of the District –The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

Map of the Proposed District – The local government must submit a map of the proposed District in sufficient detail to clearly identify the boundaries of the District and calculate its area. Maps should be created with GIS software, and the associated computer files should be made available to aid our review of the proposal. Districts must be contiguous, and be no more than 95 acres in area for local governments with a population under 9,000 persons, no more than 185 acres in area for jurisdictions with a population between 9,000 and 30,000 persons, and no more than 250 acres in area for jurisdictions with a population over 30,001 persons. There are guidelines detailed on page 13 of this application that must be followed when preparing the proposed District boundaries. Applicants must also supply maps showing the future land use and zoning of the district area, and discuss how the plan and land use regulations support the application for the District.

Summary of Need and Impact – The local government must complete this form to summarize the need for District designation and the potential positive impact of the district. Supporting documentation should be attached to this form.

Summary of District Plan – The local government must complete this form to summarize the District Plan for the proposed District. Copies of the District Plan or Plans must be attached to this form, along with any relevant supporting documentation.

FY19 Application for Designation as a District

Written Documentation from Supporting Organizations – The local government must supply written documentation from other organizations that will be relied upon to implement the District Plan. The documentation must be attached to the "Summary of District Plan" form.

Summary of Local Incentives – The local government must complete this form to summarize the local incentive package to be made available within the District upon designation. The local ordinances (or other regulations or documentation) enabling and governing these incentives must be attached to this form, along with any relevant supporting documentation. In the case of incentives proposed upon designation, the draft ordinances must be attached.

Legislative Body Resolution – The local government must attach an adopted resolution from the jurisdiction's legislative body that indicates the local government's desire to apply for designation as a District, and the local government's willingness to adhere to the District Plan and the Local Incentives for the duration of the District designation. All local governments must provide a resolution from the legislative body, even those with applications on file from a previous round. **Resolutions must have been acted upon during this FY19 application period. Resolutions from prior application periods will not be accepted.**

Applicants are advised to carefully review the *DDD Program Guidelines* which include additional guidance and information regarding the application preparation and review process.

FY19 Application for Designation as a District

Application Cover Sheet and Check List

Must be completed by applicants with FY16 application on file

Jurisdiction Name:

_____

Date of Application ____ Date Received ____

Check List for Application Materials

- ☐ **Application Cover Sheet and Check List.**
- ☐ **Information Sheet.**
- ☐ **Administration of the District summary.**
- ☐ **Map of the Proposed District (GIS files encouraged).**
- ☐ **Map of Future Land Use in Proposed District (GIS files encouraged)**
- ☐ **Map of Zoning in Proposed District (GIS files encouraged)**
- ☐ **Summary of Need and Impact (with attachments).**
- ☐ **Summary of District Plan (with attachments).**
- ☐ **Written Documentation from Supporting Organizations (attachments).**
- ☐ **Summary of Local Incentives (with attachments).**
- ☐ **Legislative Body Resolution (attachment).**
- ☐ **Attended DDD Pre-Application Workshop.**

Name of attendee _____

Downtown Development Districts

FY19 Application for Designation as a District

Information Sheet

Must be completed by applicants with FY16 application on file

Municipality / County: _____

Contact Person for Application	Proposed District Administrator (if different)
Name: _____	Name: _____
Address: _____	Address: _____
Phone: _____	Phone: _____
Email: _____	Email: _____
Signature Date	Signature Date

☐ New Application, never applied for DDD designation before.

☐ 2016 Application on file, please review with the addition of required information in this application form and supplemental information attached.

☐ 2016 Application on file. Please disregard it and review this entirely new application.

Date of certified Comprehensive Plan _____

Population of the municipality or county (as per 2010 US Census) _____

Population of proposed District (based on 2010 US Census Block data) _____

Area of proposed District in acres _____

Area Verified by OSPC Staff _____

OSPC use only

FY19 Application for Designation as a District

Brief description of the proposed Downtown Development District (100 words or less)
Note: this description will be used as a summary for internal review and in printed materials

FY19 Application for Designation as a District

Administration of the District
10%

Must be completed by applicants with FY16 application on file

District Administrator: An individual appointed by the local elected body to be the administrator of the DDD program for that community. The District Administrator will be the chief point of contact for the District and will be responsible for all record keeping and reporting that are required by the program. The District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program. The District Administrator must be a local government staff person, or an elected or appointed official of the local government. See the *DDD Program Guidelines* for more information about the role of the District Administrator.

Name of the District Administrator

Title of District Administrator

☐ By checking here the applicant acknowledges that the District Administrator will be formally appointed by the local elected body within two months of District designation. By checking here the applicant also acknowledges that in the event of a personnel change in the District Administrator role the Office of State Planning Coordination will be notified as soon as is practical, and the new District Administrator will be formally appointed by the local elected body within two months.

Administration of the District - continued
10%

Please describe the staffing and resources that the local government will dedicate to the administration of the Downtown Development District Program in the following areas:

Economic Development Outreach and Marketing

DDD Promotional Materials and Website

Economic Development Assistance to DDD Qualified Real Property Investors

DDD Program Record Keeping

DDD Reporting to OSPC and DSHA

Will the local government be relying upon staff or consultants (or a combination) to perform the above tasks?

What is the expected local government budget (staff time and/or dollars) to be dedicated to the DDD program administration?

FY19 Application for Designation as a District

Map of the Proposed Downtown Development District

Instructions: Prepare a map of the proposed Downtown Development District. The map must clearly show the boundaries of the District. The area of the proposed District, in acres, must be calculated from the boundaries designated on the map. The following guidelines must be adhered to when preparing the boundaries of the proposed District:

- The maximum size of the District is 95 acres for local governments with populations below 9,000, 185 acres for local governments with a population between 9,000 and 30,000, and 250 acres for local governments with populations over 30,001 (population as per the 2010 US Census).
- Districts must be contiguous.
- Districts must include the streets and right-of-ways within it. These count towards the maximum acreage.
- Enclaves within District boundaries are not acceptable.
- Prioritizing, phasing and /or timing of redevelopment activities in different geographic areas of the District is acceptable, and will be considered favorably when it can be demonstrated that this will concentrate the incentives to achieve specific revitalization goals.
- If any portion of the proposed District is in the floodplain, the FEMA floodplain map must be included as a layer on the map. Contact OSPC for technical assistance if needed.

Attach the map of the proposed Downtown Development District

Attach a map showing the future land use in the proposed District from the municipality's or county's certified Comprehensive Plan. Attach a map showing the zoning or land use regulations that apply to lands within the District. Discuss how the plan and land use regulations support the application for the District.

It is encouraged that the map(s) be created using GIS software. If the municipality or county is able to use this software, please submit digital files to our office to supplement the application and aid us in our review. Please contact OSPC if you need assistance and / or to arrange to electronically transfer the files.

☐ District Boundaries Map Attached

☐ GIS data is available and will be electronically transferred to OSPC

Name of person who created the map: _____

Phone _____ Email _____

Map of the Proposed Downtown Development District - continued

Describe the rationale for choosing the boundaries of the proposed District (please limit your response to 750 words or less).

Attach a map showing the future land use of the District from the local government's certified Comprehensive Plan.

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSCP

Attach a map showing the zoning or land use regulations that apply to lands within the District

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSPC

Map of the Proposed Downtown Development District - continued

Discuss how the plan and land use regulations support the application for the District (Please limit your response to 750 words or less).

Are there other special overlays, districts, or areas that intersect the proposed District? Examples of such special areas include historic districts, Business Improvement District (BID) taxing districts, etc. Please describe any of these special areas and how they will interact with the proposed Downtown Development District. Include maps, if applicable. (Please limit your response to 750 words or less).

FY19 Application for Designation as a District

Summary of Need and Impact
50%

Instructions: Complete this form to document the need for the District designation and its potential to positively impact your community. Attachments of data and other documentation are required. There is no specific page or word limit on the information that can be attached, ***however*** please be aware that applications that provide clear and concise documentation that is directly related to the need and impact of the District proposal will be scored the highest.

Please describe the **need for** the Downtown Development District designation in your community (please limit your response to 750 words or less).

Summary of Need and Impact – continued
50%

Attach relevant data to that demonstrates and documents the **need for** the Downtown Development District designation.

The following table summarizes the **required** data from the US Census. Input the data into the *FY19 DDD Census Summary Spreadsheet* (available on OSPC website with this application), and attach any other written documentation that can summarize the data. Contact OSPC for assistance with the Census data, if needed.

Required Data from the US Census

The municipality or county as a whole			
Median Income	Poverty Rate	Age of Structures	% Homeownership
% Rental	Vacancy	Median Home Value	
The Census Tract(s) that contains the proposed District			
Median Income	Poverty Rate	Age of Structures	% Homeownership
% Rental	Vacancy	Median Home Value	% Low / Mod Income
The Census Block(s) that most closely correspond to the proposed District			
Total Population	% Homeownership	% Vacancy	

☐ Summary spreadsheet and other documentation attached

Please provide any other data that support the municipality's application for the District. The following table contains some **suggested** data sources that can serve to supplement the required data. Please attach any that apply, and any other data that is relevant. Cite the source for each dataset.

Suggested Data from a Variety of Sources

Blight	Condemned Properties	Code Violations
Crime Statistics	Economic Analysis	CDBG Program Statistics
Market Studies	Redevelopment Authority Activities	Public Works Projects
Education Data	Infrastructure Condition or Need	Other

☐ Additional data and documentation attached

Summary of Need and Impact – continued
50%

Describe how the attached data demonstrates the **need for** the Downtown Development District designation in your community (please limit your response to 750 words or less).

Describe the **potential positive impacts** of the proposed Downtown Development District designation in your community. Impacts can include economic, social and / or cultural impacts among others. Attach supporting documentation if applicable (please limit your response to 750 words or less).

FY19 Application for Designation as a District

Summary of District Plan
20%

Instructions: through this application the municipality or county will be presenting the District Plan that will guide future revitalization, growth and development activities in the District. Upon designation, the local government will be required to adhere to the District Plan in order to qualify for rebates and other incentives. Attach the District Plan, and summarize the content, goals, and objectives in the space provided.

The District Plan Checklist is provided in the *DDD Program Guidelines* document. The proposed District Plan must be prepared in accordance with the Checklist.

Attach the District Plan.

☐ District Plan Attached.

Summarize the content, goals and objectives of the District Plan. (please limit your response to 750 words or less).

Summary of District Plan – continued
20%

Please summarize how the local government envisions itself in a leadership role to guide the successful implementation of the District Plan (please limit your response to 750 words or less).

List primary implementation strategies for the District Plan. (please limit your response to 750 words or less).

FY19 Application for Designation as a District

Summary of District Plan – continued
20%

Key Priority Project: A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program. See *DDD Program Guidelines* for more information.

The section on Key Priority Projects has been revised for the FY19 application, and it is suggested that it be completed by all applicants including those with FY16 applications on file.

In the following table please summarize the Key Priority Projects that are identified and fully described in the District Plan. Please see *DDD Program Guidelines* for details about how Key Priority Projects should be identified and described in the District Plan.

Project Name	Parcel Number / Location	Summary of Project	Page number of description in District Plan

Summary of District Plan – continued
20%

Are there any known projects or proposals that can be underway within six to twelve months of District designation? If so, please describe here (please limit your response to 750 words):

List any other governmental, quasi-governmental or non-governmental organizations that will be involved in the creation and / or implementation of the District Plan. A Main Street organization would be an example of such an organization. For each organization, describe how the local government will coordinate their activities to encourage revitalization and economic development in the District.

Attach written documentation (in the form of letters of agreement, memorandums of understanding, board resolutions etc) from each of the above listed organizations indicating support for this application to be designated as a Downtown Development District and identifying a willingness to coordinate with the municipal government to implement the District Plan.

☐ Written documentation attached from all other organizations

Summary of District Plan – continued
20%

Describe any actions your local government has taken to ensure energy efficient and environmentally sensitive development, and to prepare for flooding and sea level rise, if applicable. How will these efforts be implemented in the proposed District? (please limit your response to 750 words or less).

Describe how the District Plan is consistent with your certified Comprehensive Plan and the *Strategies for State Policies and Spending* (please limit your response to 750 words or less).

http://stateplanning.delaware.gov/strategies/

FY19 Application for Designation as a District

Summary of Local Incentives
20%

Must be completed applicants with FY16 application on file

Instructions: The municipality or county must complete this form to summarize the local incentive package to be made available within the District upon designation. The local ordinances (or other regulations) enabling and governing these incentives must be attached to this form, along with any relevant supporting documentation. In the case of incentives proposed upon designation, the draft ordinances must be attached.

It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification for the discretionary review and approval of specific incentives.

The following table includes **examples of** local incentives proposed by other applicants.

Examples of Local Incentives

Fee or Tax Reductions	Regulatory Flexibility	Permit or Licensing Reform
Special Zoning Districts	Exemptions from Local Ordinances	Streamlined Permitting
Technical Assistance	Grants or Loans	Other

Summary of Local Incentives - continued
20%

Attach documentation for all Local Incentives

☐Written documentation attached for all Local Incentives

List the Local Incentives proposed for the DDD. Please detail the geographic extent of each incentive (i.e. is the incentive available throughout the entire jurisdiction, or only in certain geographic areas?)

Local Incentive	Date enacted (or proposed date of adoption)	Geographic area covered (DDD Only, Entire Municipality, or Other - please describe)

Summary of Local Incentives - continued
20%

Please describe how each local incentive will be funded. If the incentive involves a reduction or waiver of taxes or fees, or in-kind services (for example, expedited permitting utilizing existing staff resources) please note that here.

Local Incentive	Funding Source

For each local incentive please summarize the value and/or benefit of the incentive to potential Qualified Real Property Investors. Please be as specific as possible.

Local Incentive	Value and/or Benefit to Investors

Summary of Local Incentives - continued
20%

For each Local Incentive to be provided, please describe the specifics of how the incentive works (details are needed), and how the incentive encourages economic development and revitalization in your community.

It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification for the discretionary review and approval of specific incentives in this response.

Summarize the package of Local Incentives, and describe how these incentives will work in concert with the Downtown Development District benefits to encourage revitalization and economic development in your proposed District (please limit your response to 750 words or less).

FY19 Application for Designation as a District

Legislative Body Resolution

Must be completed by applicants with FY16 application on file. Resolutions from previous application cycles will not be accepted.

Instructions: Attach a resolution that has been adopted by the legislative body of your municipality or county during the current FY19 application cycle. The resolution must affirmatively indicate that the legislative body supports the application for designation as a Downtown Development District and is willing to adhere to the District Plan and the Local Incentives for the duration of the District designation.

Date of Resolution

Resolution Number

☐ Resolution Attached.

APPENDIX 5

GUIDELINES GOVERNING THE ADMINISTRATION AND REVIEW FOR DESIGNATION AS DOWNTOWN DEVELOPMENT DISTRICTS

EXECUTIVE DEPARTMENT

OFFICE OF STATE PLANNING COORDINATION

Statutory Authority: 22 Delaware Code, Section 1903 (22 **Del.C.** §1903)

GENERAL NOTICE

PUBLIC NOTICE

Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts

The November 2014 *Register of Regulations* included proposed guidelines relating to the administration and review of applications for designation as Downtown Development Districts (the "Guidelines"). See 18 DE Reg. 359 (11/01/14) (Prop.). As set forth in the Guidelines, public comments were accepted through November 30, 2014. In the November *Register*, the proposed procedures were incorrectly designated as Regulations. For that reason, the Guidelines have been designated for inclusion in the General Notice section of the January 2015 *Register of Regulations*, and will not be included in the Administrative Code. No changes were made to the Guidelines as a result of the public comment period described above.

Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts

1.0 Authority

These guidelines are authorized pursuant to 22 **Del.C.** §1903.

2.0 Background and Purpose

2.1 On June 5, 2014, Governor Markell signed Senate Bill 191, the Downtown Development Districts Act. The purposes of the Act are:

2.1.1 To spur private capital investment in commercial business districts and surrounding neighborhoods;

2.1.2 To stimulate job growth and improve the commercial vitality of such districts and neighborhoods;

2.1.3 To help build a stable community of long-term residents in such districts and neighborhoods by improving housing opportunities for persons of all incomes and backgrounds; increasing homeownership rates; building a diverse array of successful businesses; and reducing the number of vacant houses; and

2.1.4 To help strengthen neighborhoods, while harnessing the attraction that vibrant downtowns hold for talented young people, innovative small businesses, and residents from all walks of life.

2.2 Under the Act, the Office of State Planning is responsible for administering the application process. The purpose of these Guidelines is to establish procedures relating to the administration and review of Applications for Designation as Downtown Development Districts.

3.0 Definitions

"**Act**" means the Downtown Development Districts Act, 22 **Del.C.** §1901 *et seq.*

"**Agency Liaison**" means the person designated by the Secretary or Director of a Reviewing Agency to fulfill the Reviewing Agency's obligations under §6.0 hereunder.

"**Applicant**" means any municipality or unincorporated area (as such terms are defined in the Act) filing an Application.

"**Application**" means the Application for Designation as a Downtown Development District promulgated by the Office in accordance with the Act.

"**Central Business District**" means an area around the downtown portion of a city or town that allows for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

"**CCSPI**" or "**Committee**" means the Cabinet Committee on State Planning Issues established pursuant to the Delaware Planning Act, 29 **Del.C.** §9101 *et seq.*

"**DDD**," "**District**," or "**Downtown Development District**" means an area within a municipality or unincorporated area designated as a Downtown Development District in accordance with the Act.

"**District Plan**" means the strategic plan or other detailed description of the overall strategy for the development of a proposed district submitted by the municipality or unincorporated area as part of its Application.

"**Downtown**" means that portion of a city, town, or unincorporated area that traditionally comprises its downtown or central business district, as determined by such city, town, or unincorporated area in accordance with guidelines promulgated by the Office.

"**Local Incentives**" means the incentives offered by an Applicant as part of its Application that address local economic and community conditions, and that will help achieve the purposes set forth in the Act.

"**Office**" or "**OSPC**" means the Office of State Planning Coordination.

"**Reviewing Agency**" means any State Agency assigned by the Office to review and provide comments regarding an Application or any portion thereof.

"**Staff Report**" means any report prepared by the Office, with assistance from Reviewing Agencies, to aid the Committee in determining which Applications to recommend to the Governor for District designation.

4.0 Responsibilities of Office of State Planning Coordination

In accordance with the Act, the Office:

4.1 Shall develop the Application and other supporting materials and information, with input from other state agencies as appropriate;

4.2 Shall solicit Applications, at the request of the Governor, from municipalities and unincorporated areas to have areas designated as Downtown Development Districts;

4.3 Shall provide assistance to potential Applicants and other stakeholders in connection with the Application process;

4.4 Shall evaluate completed Applications and present recommendations to the Committee in accordance with §7.0 below; and

4.5 Shall perform such tasks assume such other responsibilities as may arise from time to time in connection with the administration and review of Applications.

5.0 Content of Applications

5.1 In accordance with §1903(c) of the Act, the Application shall include but not be limited to the following elements:

5.1.1 Need and Impact

5.1.1.1 The Application must require the Applicant to describe the need for the incentives that will be available in the proposed District, and to describe the potential positive impacts that are likely to accrue due to District designation.

5.1.1.2 Whenever possible, the Application should require the Applicant to demonstrate need and impact through the use of U.S. Census data or other objective information.

5.1.1.3 The Applicant shall be permitted to submit as part of its Application any additional information it deems relevant to demonstrate the need for and potential impact of the proposed District designation.

5.1.2 District Plan

5.1.2.1 The Application must require the Applicant to submit a detailed description of the overall strategy for the development of the proposed District, with such maps, descriptions, and other information as the Office may require.

5.1.2.2 At minimum, the Application:

5.1.2.2.1 Must require each District Plan to describe the key actions and strategies that will be used to guide growth and revitalization efforts in the proposed District;

5.1.2.2.2 Must require each Applicant to demonstrate that the District Plan is consistent with its certified Comprehensive Plan, the *Strategies for State Policies and Spending*, and any other applicable local planning documents or studies;

5.1.2.2.3 Must require each Applicant to include its Central Business District in its District Plan; and

5.1.2.2.4 Must provide that the proposed District shall be contiguous.

5.1.2.3 In addition, the Application must state that Districts shall be subject to maximum acreage requirements as determined by the Office. For the initial round of Applications, Districts shall be subject to the following area limitations, based on the most recent U.S. Census data:

5.1.2.3.1 No more than 85 acres in area for jurisdictions having a population of less than 9,000 persons; and

5.1.2.3.2 No more than 170 acres for jurisdictions having a population between 9,000 and 30,000 persons; and

5.1.2.3.3 No more than 225 acres for jurisdictions having a population greater than 30,000 persons.

5.1.3 Local Incentives

5.1.3.1 The Application must require the Applicant to propose Local Incentives that will help achieve the purposes set forth in the Act, as set forth in §2.1 above. These incentives must address local economic and community conditions, and may include but not be limited to reductions in fees or taxes, permit process and licensing reform, special zoning districts, and exemptions from local ordinances.

5.1.3.2 Upon designation as a District the Applicant shall be required to implement the proposed Local Incentives for the duration of the District designation.

5.1.4 Resolution

5.1.4.1 The Application shall require the Applicant to provide a resolution adopted by its governing body stating that the governing body supports the Application and will adhere to the District Plan and the Local Incentives for the duration of the District designation.

5.1.4.2 Upon the written approval of the Office, the Applicant may provide a resolution adopted by its governing body that deviates from the requirements of §5.1.4.1. In no event, however, shall the requirement to provide a resolution be waived.

5.2 In addition to the above, the Office may include such other provisions and adopt such other requirements in connection with the Application process as may be necessary or desirable in connection with the consideration of Applications, or any of them.

6.0 Initial Review by Office; Comments from Reviewing Agencies

6.1 Immediately following the Application deadline, the Office will conduct an initial review to determine the completeness of each Application and, if necessary, to request and receive additional clarifying information.

6.2 If the Office determines that a Reviewing Agency has expertise relevant to the consideration of any Application, the Office may forward the Application or any portion thereof to the Reviewing Agency for review and comment.

6.3 Each Reviewing Agency will designate an Agency Liaison to serve as the Office's point of contact during the Application process. The Agency Liaison will ensure that the Reviewing Agency reviews and provides comments on the Application in accordance with the deadlines established by the Office. Reviewing Agencies are advised that the Office may request responses on an expedited basis.

6.4 Comments by Reviewing Agencies shall address:

6.4.1 The principal strengths of the Application from the Reviewing Agency's perspective, including those considerations set forth in §8.0 that are within the Reviewing Agency's area of expertise;

6.4.2 The principal weaknesses of the Application from the Reviewing Agency's perspective, including those considerations set forth in §8.0 that are within the Reviewing Agency's area of expertise; and

6.4.3 Such other information as the Reviewing Agency shall determine is relevant to its consideration of the Application and the District Plan and Local Incentives contained therein.

7.0 Staff Reports and Recommendations—Procedure

7.1 Following a review of each Application and comments from Reviewing Agencies, the Office will prepare a Staff Report to assist the Committee in fulfilling its obligations under §9.0 below.

7.2 The Office will summarize or incorporate in the body of each Staff Report those comments from Reviewing Agencies that the Office determines are relevant to its review of the underlying Application. In addition, the Office may attach *verbatim* the comments of the Reviewing Agency as an exhibit to such Staff Report.

7.3 Upon completion of all Staff Reports, the Office will determine which Applications, in its opinion, have the greatest potential for accomplishing the purposes of the Act, as set forth more fully in §2.1 above.

7.3.1 In distinguishing among competing Applications, the Office will evaluate Applications in accordance with the considerations set forth in §8.0 of these Guidelines.

7.3.2 For the initial round of District designations, the Office will make separate recommendations pursuant to §7.3 for each county.

7.4 The Office will present each Staff Report, as well as its recommendations pursuant to §7.3 above, at the next meeting of the Committee. Copies of all Staff Reports, recommendations, and other relevant materials will be provided to members of the Committee at least ten (10) days prior to the date of such meeting.

8.0 Evaluation of Applications

8.1 General Principles

8.1.1 It is understood that Applicants will be given significant flexibility and authority to create a District Plan and propose Local Incentives that best meet the needs of their communities. As a result, each Application will be different, and the evaluation of each Application will require qualitative judgments as well as quantitative factors.

8.1.2 Notwithstanding the above, a substantive framework is necessary to assist the Office and Reviewing Agencies in determining which Applications have the greatest potential for accomplishing the purposes of the Act in accordance with §2.1 above, and to distinguish among competing Applications. To that end, Applications will be reviewed in accordance with the considerations set forth in this section.

8.1.3 Nothing in this section shall be construed to prohibit the establishment or consideration of such other matters as may be necessary or desirable in connection with the consideration of any Application.

8.2 Need and Impact – Need and impact factors will account for 50 percent of the consideration given to each Application. Evaluation of need and impact may include but shall not be limited to the following:

8.2.1 Economic considerations, including median income, poverty rate, and percentage of low- and moderate-income residents or households;

8.2.2 Considerations relating to housing and community conditions, including the number or percentage of vacant or abandoned properties, homeownership and rental rates, median home value, and average or median age of dwelling units or structures;

8.2.3 Other considerations as set forth in the Application pursuant to §5.1.1.2, which may include but shall not be limited to considerations relating to population, crime, and education levels; and

8.2.4 The Applicant's description of the potential positive impacts that are likely to result from District designation.

8.3 District Plan – The District Plan will account for 30 percent of the consideration given to each Application. Evaluation of each District Plan may include but shall not be limited to the extent to which:

8.3.1 The District Plan is consistent with sound planning principles, including the extent to which:

8.3.1.1 The size and shape of the proposed District make sense from an urban planning and revitalization perspective;

8.3.1.2 The District Plan clearly and specifically identifies the types of projects and uses intended to be promoted—and discouraged—within the proposed District, for purposes of administering the DDD Grant Program and otherwise;

8.3.1.3 The District Plan is consistent with the Applicant's certified Comprehensive Plan, the *Strategies for State Policies and Spending*, and any other applicable planning documents or studies;

8.3.1.4 The District Plan is well-coordinated, with clear lines of authority among local government agencies, members of the community, for- and non-profit organizations, and other stakeholders;

8.3.1.5 The District Plan complements and is consistent with existing revitalization efforts, including (if applicable) any historic districts or business improvement districts; and

8.3.1.6 The District Plan promotes energy-efficient and environmentally sensitive development, and addresses the potential effects of flooding and sea level rise as applicable;

8.3.2 The District Plan is likely to leverage significant private funding, including whether District designation is likely to assist or result in specific projects moving forward within the first six (6) to twelve (12) months of District designation;

8.3.3 District designation is likely to benefit a wide variety of stakeholders, including investors and other businesses (large and small, non-profit and for-profit), homeowners, and other stakeholders;

8.3.4 The District Plan evidences input from, and the support of, such stakeholders;

8.3.5 The extent to which the proposed District concentrates benefits in as small an area as possible, which may but shall not be required to includes prioritization, phasing, and/or timing of redevelopment activities as appropriate to maximize the effectiveness of District incentives;

8.3.6 The key actions and strategies proposed in the District Plan are realistic in light of existing economic and other conditions;

8.3.7 The District Plan encourages accountability by establishing clear lines of responsibility for the applicant to meet its District obligations; and

8.3.8 The District Plan evidences a strong and sustained commitment of the Applicant to ensure the long-term success of the District, to the extent it is so designated.

8.4 Local Incentives – The Local Incentives shall account for 20 percent of the consideration given to each Application. Evaluation hereunder may include but shall not be limited to the extent to which the proposed Local Incentives:

8.4.1 Are coordinated with and integrated into the District Plan, *i.e.*, they support the specific initiatives contained in or contemplated by such Plan;

8.4.2 Are likely to leverage significant private funding;

8.4.3 Are meaningful and substantial, thereby demonstrating the Applicant's commitment to the success of the proposed District;

8.4.4 Are likely to benefit a wide variety of stakeholders, including those stakeholders described in §8.3.3 above;

8.4.5 Promote energy-efficient and environmentally sensitive development, and address the potential effects of flooding and sea level rise as applicable;

8.4.6 Are user-friendly, easy to understand, and to the extent possible, cut or minimize red tape;

8.4.7 Clearly and specifically describe which person(s) are responsible for ensuring that the Local Incentives are available throughout the life of the District; and

8.4.8 Are measurable with respect to determining the success or failure of such Local Incentives in accomplishing the purposes of the Act, as set forth more fully in §2.1 above.

9.0 Committee Review of Applications

9.1 At a reasonable time following the close of the Application period, a meeting of the Committee will be convened to consider, discuss, and evaluate the Applications.

9.2 At such meeting, the Office shall present to the Committee each Application and associated Staff Report, as well as the Office's recommendations in accordance with §7.3 above. The Committee shall give significant weight to the Staff Reports and the recommendations contained therein, but shall not be bound thereby.

9.3 At the conclusion of the meeting, the Committee shall recommend to the Governor those applications with the greatest potential for accomplishing the purposes of the Act. In connection therewith, the Committee shall consider the provisions of §§2.1 and 8.0 above.

9.4 Recommendations of the Committee shall be made by a resolution adopted by no less than a majority of Committee members present. If the Committee is unable to adopt a resolution at the conclusion of the meeting, the Committee shall defer its recommendations until the next meeting, which shall be scheduled at the earliest possible opportunity in accordance with FOIA. In connection therewith, the Committee may request that the Office provide additional information relevant to its consideration of Applications hereunder.

9.5 As soon as is practicable following the date upon which the Committee issues its recommendations, the Office shall forward to the Governor:

9.5.1 All Applications recommended by the Committee in accordance with this §9.0, and any supporting materials submitted by the Applicant in connection therewith;

9.5.2 All Staff Reports prepared by the Office and presented to the Committee in connection with such Applications, including all comments of Reviewing Agencies;

9.5.3 The minutes of the Committee meeting held pursuant to §9.0 above; and

9.5.4 Such other information as the Office or the Committee shall deem relevant, or as otherwise requested by the Governor or his designee(s).

10.0 Review and Designation; Agreements Evidencing Designation

10.1 As set forth in §1904(b) of the Act, following receipt of any Application set forth in §9.5 above, the Governor:

10.1.1 Shall approve the Application for immediate designation as a District; or

10.1.2 Shall approve the Application for designation as a District, effective one (1) year from the date of such determination by the Governor; or

10.1.3 Shall deny such Application.

10.2 In connection with the Designation of any District hereunder, the Office may require the successful Applicant to execute such documents and enter into such agreements as may be necessary or desirable in connection with such designation and the rights and obligations of the Applicant thereunder.

11.0 Preservation of Applications

11.1 Any Application that is not approved for District designation will remain on file with the Office for a period of not less than four (4) years from the date the original Application was filed.

11.2 In subsequent Application periods, any Applicant whose Application remains on file will not be required to submit an entirely new Application. Instead, the Office will request that the prior Applicant revise, amend, or supplement only those portions of the prior Application as necessary to update the Application for consideration in the subsequent round of Applications.

11.3 Nothing in this section shall prohibit or prevent the prior Applicant from revising, amending, or supplementing such portions of the Application as may be necessary to improve upon the prior Application and to better position the Applicant for District designation in the subsequent round of Applications.

11.4 Notwithstanding the foregoing, a prior Applicant seeking to renew its Application in any subsequent round of Applications shall be required to obtain and submit a new Resolution in accordance with §5.1.4 above.

18 DE Reg. 581 (01/01/15) (Gen. Notice)

APPENDIX 6

LINKS TO ADDITIONAL RESOURCES

Delaware Office of State Planning Coordination

http://stateplanning.delaware.gov/

Downtown Development Districts Program

http://stateplanning.delaware.gov/ddd/

Delaware State Historic Preservation Office (SHPO)

http://history.delaware.gov/

Tax Credit Program

http://history.delaware.gov/preservation/taxcredit.shtml

Delaware State Housing Authority

http://www.destatehousing.com/

District Rebate Program

http://www.destatehousing.com/Developers/dv_ddd.php

Delaware Division of Small Business

https://business.delaware.gov/

Delaware Prosperity Partnership

https://www.deprosperitypartnership.com/